

2.59.1705 LICENSING EXAMINATION AND CONTINUING EDUCATION

PROVIDER REQUIREMENTS (1) A licensee or applicant shall receive credit for participation in a program if it is presented by a provider approved by the department and the department has approved the program pursuant to this rule.

(2) To receive approval of a licensing examination or continuing education course, the examination or course provider must file an application with the department, which includes, but is not limited to the following items:

(a) a description of the examination or course provider's experience in teaching courses;

(b) a complete list of all examiners or instructors for the course, including their qualifications and experience with examinations and teaching courses similar to the course submitted for approval;

(c) a description of each examination or course; and

(d) all examination or course materials and lesson plans.

(3) Courses and licensing examinations must reflect the activities performed by prospective mortgage brokers and loan originators and must provide prospective mortgage brokers and loan originators with a basic knowledge of and competency in the following:

(a) basics of home purchase and ownership;

(b) the mortgage industry, generally;

(c) loan evaluation and documentation;

(d) features of various loan products;

(e) state and federally required disclosures;

(f) the Montana Residential Mortgage Broker and Loan Originator Licensing Act; and

(g) other state and federal laws applicable to the mortgage industry.

(4) Appropriate subjects for licensing examinations may include:

(a) the Montana Residential Mortgage Broker and Loan Originator Licensing Act;

(b) state and federal consumer protection acts;

(c) the federal Real Estate Settlement Procedures Act, Truth in Lending Act, Equal Credit Opportunity Act, Fair Credit Reporting Act, Fair Housing Act, Home Mortgage Disclosure Act, Community Reinvestment Act, and the regulations promulgated pursuant to these acts;

(d) trust account and recordkeeping requirements of the Montana Residential Mortgage Broker and Loan Originator Licensing Act;

(e) real estate and appraisal law;

(f) arithmetical computation common to mortgage lending, including but not limited to:

(i) the computation of an annual percentage rate;

(ii) finance charges;

(iii) amount financed;

(iv) payment and amortization;

(v) credit evaluation; and

(vi) calculating debt-to-income; and

(g) ethics in the mortgage industry.

(5) The provider shall file an application with the department which includes a copy of examinations to be used, if any, in determining satisfactory comprehension of the contents of the course and the grading scale to be used. Any new or revised courses, examinations or grading scales to be used shall be submitted to the department for approval at least 30 days prior to use. Course materials may be submitted in electronic format. The department will consider examinations and continuing education disseminated by written or electronic means, including by the internet.

(6) The department shall review applications filed and determine whether to approve or deny the proposed provider. If the department approves the course or provider, the department shall issue a certificate of approval that will be effective for two years from the date of issuance.

(7) The department shall provide a list of approved providers. The list shall indicate whether a provider is approved to present licensing examination and/or continuing education programs.

(8) A course provider that desires to renew the certificate of approval must apply to the department and file the items required in (2) no later than 60 days before the certificate expires.

(9) The department may audit an approved course or examination at any time. If the course provider or examination administrator has not complied with the requirements of this rule, the department may suspend or terminate the approval and require the surrender of the certificate of approval.

(10) The department may revoke, suspend or terminate approval of any provider or individual course upon a finding that:

(a) any provider officer or employee who has obtained or used, or has attempted to obtain or use, in any manner or form, the examination questions for any purpose other than instruction;

(b) during any six-month period, fewer than 50% of the provider's program students taking the examination for the first time achieve a passing score; or

(c) the provider has not conducted at least one continuing education program during the preceding 24-month period.

(11) A provider shall designate one person as its contact person who shall be available to the department during ordinary business hours and shall be knowledgeable and have authority to act with regard to all administrative matters concerning instructors, scheduling, advertising, recordkeeping, and supervising all programs offered by the provider.

(12) Providers shall not use any words, symbols or other means to indicate that either the provider or a program has received the department's approval unless such approval has been issued and remains in effect.

(13) The fee for review of an initial and biennial education provider application is \$100 for the application fee and \$50 for each approved continuing education credit hour. All fees are nonrefundable and must be submitted with the application.

(14) An education course relative to commercial lending or commercial loan brokering may not be used to satisfy continuing education requirements under this subchapter.

(15) An education provider shall maintain student records for three years.

AUTH: 32-9-130, MCA

IMP: 32-9-110, 32-9-118, MCA